

# ANNUAL REPORT

*of*

## AMERICAN STORES COMPANY

*For the year ended*

*December 31, 1928*

March 8, 1929.

*To the Stockholders of*

*The American Stores Co:*

The Annual Report to our stockholders for the year ended December 31, 1928, is submitted herewith.

The sales for the year 1928 amounted to \$137,311,512.68 as compared to \$120,664,567.70 for the year 1927, or an increase during the year of \$16,646,944.98.

At the close of the year 1928, there were 2546 stores in operation or 413 stores more than at the beginning of the year. Of this increase, 324 stores were acquired by the company in the territories of northern New Jersey and Washington, D. C.

The profits from operation during the year were materially affected by the considerable expense incurred in the work of developing the business of your Company.

Respectfully submitted,

SAMUEL ROBINSON,

*President.*

# AMERICAN STORES COMPANY

AND  
SUBSIDIARY COMPANIES

## CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1928

### ASSETS

#### CURRENT ASSETS

Cash.....	\$ 4,286,589.43
Marketable Securities—at cost.....	5,635,048.10
Inventories—at cost or market, whichever was lower..	13,751,871.50
Loans to Employees—Secured by Common Stock of Co.	905,625.00
Sundry Debtors.....	292,166.11
Total Current Assets.....	24,871,300.14

Treasury Stock—82,726 $\frac{1}{2}$ shares Common Stock .....	3,472,312.18
Trustee for Employees' Subscriptions to Common Stock	4,257,326.00

#### FIXED ASSETS—Depreciated Value

Warehouses, Store Properties, Bakeries, Canneries, Garages, Stables, etc.....	11,248,210.69
Goodwill.....	1.00
Deferred Charges.....	545,192.56
	<u>\$44,394,342.57</u>

### LIABILITIES

#### CURRENT LIABILITIES

Accounts Payable and Accrued Charges.....	\$ 1,580,882.24
Dividend Payable .....	839,296.00
Reserve for Federal and State Taxes.....	856,838.27
Total Current Liabilities.....	3,277,016.51
Reserve for Contingencies.....	452,306.78

#### Capital and Surplus

##### Capital Stock—Issued and Outstanding

##### Common—No Par Value

1,761,403 $\frac{1}{2}$  Shares .....

##### Surplus

Capital Surplus.....	4,184,769.47	
Earned Surplus .....	14,820,510.18	40,665,019.28
		<u>\$44,394,342.57</u>

**AMERICAN STORES COMPANY**  
**AND**  
**SUBSIDIARY COMPANIES**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED DECEMBER 31, 1928**

Sales.....		\$ 137,311,512.68
Cost of Merchandise Sold.....		111,945,217.79
	Gross Profit.....	<u>25,366,294.89</u>
Wages, Rents, Operating and Administrative Expenses.....	\$ 18,627,927.14	
Depreciation.....	830,207.38	19,458,134.52
	Profit from Operations.....	<u>5,908,160.37</u>
Other Income.....		<u>412,508.34</u>
	Net Profit before Federal Income Tax	6,320,668.71
Reserve for Federal Income Tax.....		750,000.00
	Net Income.....	<u><u>\$ 5,570,668.71</u></u>

# AMERICAN STORES COMPANY

AND

SUBSIDIARY COMPANIES

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## SURPLUS ACCOUNT

CAPITAL SURPLUS.....	\$ 4,184,769.47
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### EARNED SURPLUS

Balance at December 31, 1927.....	23,190,805.73
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Net Income for year 1928, .....	5,570,668.71
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	<u>28,761,474.44</u>
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### DEDUCT

Dividends paid on Common Stock	\$ 4,132,198.50	
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Reduction in book value of goodwill	9,808,765.76	13,940,964.26
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Balance at December 31, 1928.....	<u>14,820,510.18</u>
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Total Surplus—December 31, 1928....	<u><u>\$19,005,279.65</u></u>
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## CERTIFICATE

We have examined the accounts of the American Stores Company and its subsidiary companies for the year ended December 31, 1928.

The cash and securities have been verified by actual inspection or by certificates received from the depositories. The inventories, as certified by responsible officials, have been valued at cost or market, whichever was lower. Depreciation has been provided for on a conservative basis, and provision made for all ascertainable liabilities.

We hereby certify that, in our opinion, the accompanying Consolidated Balance Sheet and Profit and Loss Account correctly present, respectively, the financial condition of the American Stores Company and its subsidiary companies as at December 31, 1928, and the results of their operations for the year ended that date.

BARROW, WADE, GUTHRIE & Co.

*Auditors.*

Philadelphia, Pa.

March 4, 1929

# AMERICAN STORES COMPANY

## OFFICERS

<i>President</i> .....	Samuel Robinson
<i>Vice-President</i> .....	Robert H. Crawford
<i>Vice-President and General Manager</i> ....	James K. Robinson
<i>Treasurer</i> .....	Wm. M. M. Robinson
<i>Secretary</i> .....	E. J. Flanigan
<i>Assistant Treasurer</i> .....	Wm. Gould
<i>Assistant Secretary</i> .....	J. V. Keers

## DIRECTORS

Samuel Robinson	James K. Robinson
Robert H. Crawford	Wm. M. M. Robinson
John Eagleson	Joseph Gilfillan
E. J. Flanigan	William Park
John M. Hancock	